



**CITY OF LODI  
COUNCIL COMMUNICATION**

**AGENDA TITLE:** Set Public Hearing for October 20, 2010, to Consider Introduction of Ordinance Amending Chapter 13.20, "Electrical Service," Article III, "Rates," to Revise Provisions Relating to Net-Metered Energy Generation and Co-Metered Energy Generation (EUD)

**MEETING DATE:** October 6, 2010

**PREPARED BY:** Electric Utility Director

**RECOMMENDED ACTION:** Set public hearing for October 20, 2010, to consider introduction of Ordinance amending Chapter 13.20, "Electrical Service," Article III, "Rates," to revise provisions relating to Net-Metered Energy Generation and Co-Metered Energy Generation.

**BACKGROUND INFORMATION:** On November 18, 2009, the City Council received a preliminary report and opened and continued a Public Hearing regarding proposed rate revisions for Net-Metered Energy Generation and Co-Metered Energy Generation. Subsequent to that date, staff learned of new provisions in California law that required revisions to the proposed rate ordinance.

Residential and small commercial customers generating electricity with solar and wind facilities of 10 kW or less are net-metered, that is, their meters deduct from their usage the amount they generate, and they are billed on the net. Customers generating electricity with solar and wind facilities greater than 10 kW and less than 1 MW are metered for consumption and generation separately. They pay the retail rate for all their usage and are paid for the energy they generate at a price estimated to offset the Lodi Electric Utility purchases avoided, not the full retail price that also pays for the distribution system and other non-power-supply costs.

State of California Assembly Bill 920 mandates municipally owned utilities to establish a "net surplus electricity compensation" for customers who generate surplus energy during a 12-month period without subsidy from other ratepayers. This affects all solar and wind installations up to 1 MW. The proposed revisions would also clarify these installations, when EUD would keep attributes, such as renewable energy credits and capacity credits for generation covered by these riders.

**FISCAL IMPACT:** The proposed revisions **will** have minor fiscal impact on EUD. Changes in revenue will be offset by reductions in purchased power costs. EUD will recover its cost to provide service.

**FUNDING:** Not applicable.

  
Elizabeth A. Kirkley  
Electric Utility Director

EAK/KAW/KB/lst

**APPROVED:**   
Konradt Bartlam, Interim City Manager



*Please immediately confirm receipt  
of this fax by calling 333-6702*

CITY OF LODI  
P. O. BOX 3006  
LODI, CALIFORNIA 95241-1910

**ADVERTISING INSTRUCTIONS**

**SUBJECT:** PUBLIC HEARING TO CONSIDER INTRODUCING ORDINANCE  
AMENDING LODI MUNICIPAL CODE CHAPTER 13.20, "ELECTRICAL  
SERVICE," ARTICLE III, "RATES," TO REVISE PROVISIONS RELATING  
TO NET-METERED ENERGY GENERATION AND CO-METERED ENERGY  
GENERATION

**PUBLISH DATE:** SATURDAY, OCTOBER 9, 2010


**LEGAL AD**

**TEAR SHEETS WANTED:** One (1) please

**SEND AFFIDAVIT AND BILL TO:** RANDI JOHL, CITY CLERK  
City of Lodi  
P.O. Box 3006  
Lodi, CA 95241-1910

**DATED:** THURSDAY, OCTOBER 7, 2010

**ORDERED BY:** RANDI JOHL  
CITY CLERK

  
JENNIFER M. ROBISON, CMC  
ASSISTANT CITY CLERK

\_\_\_\_\_  
MARIA BECERRA  
ADMINISTRATIVE CLERK

**Verify Appearance of this Legal in the Newspaper – Copy to File**

LNS	Faxed to the Sentinel at 369-1084 at _____ (time) on _____ (date) _____ (pages)			
	Phoned to confirm receipt of all pages at _____ (time) _____ JMP _____ MB _____ CF (initials)			



## **DECLARATION OF POSTING**

### **PUBLIC HEARING TO CONSIDER INTRODUCING ORDINANCE AMENDING LODI MUNICIPAL CODE CHAPTER 13.20, "ELECTRICAL SERVICE," ARTICLE III, "RATES," TO REVISE PROVISIONS RELATING TO NET-METERED ENERGY GENERATION AND CO-METERED ENERGY GENERATION**

On Friday, October 8, 2010, in the City of Lodi, San Joaquin County, California, a Notice of Public Hearing to consider introducing ordinance amending Lodi Municipal Code Chapter 13.20, "Electrical Service," Article III, "Rates," to revise provisions relating to net-metered energy generation and co-metered energy generation (attached and marked as Exhibit A) was posted at the following locations:

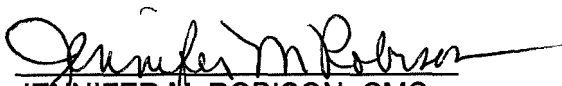
Lodi Public Library  
Lodi City Clerk's Office  
Lodi City Hall Lobby  
Lodi Carnegie Forum

I declare under penalty of perjury that the foregoing is true and correct.

Executed on October 8, 2010, at Lodi, California.

**ORDERED BY:**

**RANDI JOHL  
CITY CLERK**

  
JENNIFER M. ROBISON, CMC  
ASSISTANT CITY CLERK

\_\_\_\_\_  
MARIA BECERRA  
ADMINISTRATIVE CLERK



## CITY OF LODI

Carnegie Forum  
305 West Pine Street, Lodi

### NOTICE OF PUBLIC HEARING

Date: October 20, 2010

Time: 7:00 p.m.

For information regarding this notice please contact:

**Randi Johl**

**City Clerk**

**Telephone: (209) 333-6702**

**EXHIBIT A**

### NOTICE OF PUBLIC HEARING

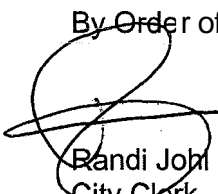
**NOTICE IS HEREBY GIVEN** that on **Wednesday, October 20, 2010**, at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a public hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

- a) Introduce ordinance amending Lodi Municipal Code Chapter 13.20, "Electrical Service," Article III, "Rates," to revise provisions relating to net-metered energy generation and co-metered energy generation.**

Information regarding this item may be obtained in the Electric Utility Department, 1331 South Ham Lane, Lodi, (209) 333-6762. All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk, City Hall, 221 West Pine Street, 2<sup>nd</sup> Floor, Lodi, 95240, at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

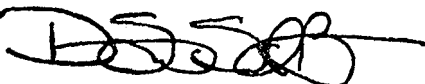
If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice or in written correspondence delivered to the City Clerk, 221 West Pine Street, at or prior to the close of the public hearing.

By Order of the Lodi City Council:

  
Randi Johl  
City Clerk

**Dated:** October 6, 2010

Approved as to form:



D. Stephen Schwabauer  
City Attorney